


**Government of the District of Columbia
Office of the Chief Financial Officer**

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: MAY 31 2005

SUBJECT: Fiscal Impact Statement: "Housing Production Trust Fund Regulatory Amendment Approval Resolution of 2005"

REFERENCE: Draft Legislation – Bill Number Not Available

Conclusion

Funds are sufficient in the FY 2005 and the Mayor's proposed FY 2006 through FY 2009 budget and financial plan to implement the proposed legislation because no additional staff or resources would be required.

Background

The proposed legislation would approve proposed rules to implement Title II, Subtitle B - "Housing Production Trust Fund Amendment Act of 2004" of the "Fiscal Year 2005 Budget Support Act of 2004." The rules clarify the definition of "continuing basis" in the Housing Production Trust Fund ("Fund") regulations to require that housing assisted by the Fund be continuously affordable to low-, very low-, and extremely low-income households for a period of at least 15 years in the case of for-sale housing, and at least 40 years in the case of rental housing. Additionally, the proposed amendment would clarify that administrative costs of the Fund in a fiscal year shall not exceed five percent of the funds deposited into the Fund.

Financial Plan Impact

Funds are sufficient in the FY 2005 and the Mayor's proposed FY 2006 through FY 2009 budget and financial plan to implement the proposed legislation because no additional staff or resources will be required.